

## Message Text

CONFIDENTIAL

PAGE 01 SANTO 01550 01 OF 02 092016Z

63

ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-02 INR-07 L-02

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05

EB-07 OMB-01 AGR-05 TRSE-00 NIC-01 COME-00 CIEP-01

SY-05 SCCT-01 /081 W

----- 059672

R 091910Z APR 75

FM AMEMBASSY SANTO DOMINGO

TO SECSTATE WASHDC 3342

INFO AMEMBASSY CARACAS

AMEMBASSY MEXICO CITY

AMEMBASSY PORT

CINCLANT FOR POLAD

CINCSO

C O N F I D E N T I A L SECTION 1 OF 2 SANTO DOMINGO 1550

E.O. 11652: GDS

TAGS: PINT, PFOR, DR

SUBJECT: DOMINICAN POLITICAL ASSESSMENT: FIRST QUARTER 1975

REF: SD 324

1. SUMMARY. TWO EVENTS, ANNUAL INDEPENDENCE DAY SPEECH OF THE PRESIDENT AND ASSASSINATION OF LEADING COLUMNIST AND EDITOR, MARKED THE PERIOD. PRESIDENT BALAGUER'S SPEECH WAS WIDELY PRAISED DESPITE CRITICISMS OF SPECIFIC ASPECTS OF IT BY BUSINESSMEN AND RANCHERS. IN THE SPEECH PRESIDENT PLEDGED TO CONTINUE AGRARIAN REFORM, TO INTRODUCE MEASURE OF AUSTERITY, TO STERILIZE SOME OF COUNTRY'S EXCESS SUGAR EARNINGS, TO CONCENTRATE EDUCATIONAL DEVELOPMENT EFFORTS IN RURAL AREAS AND AT TECHNICAL AND VOCATIONAL LEVELS, AND, ON INTERNATIONAL SCENE, TO AVOID ANY CONFRONTATION WITH US WHILE DISCUSSING WITH OTHER LA NATIONS POSSIBILITY OF INCREASING HEMISPHERIC COOPERATION. ASSASSINATION OF WIDELY-READ LEFTISH EDITOR AND COLUMNIST ORLANDO MARTINEZ ENDED THE

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 SANTO 01550 01 OF 02 092016Z

QUARTER WITH INCREASED SENSE OF UNEASINESS AMONG DOMINICANS

ABOUT NATURE OF DOMINICAN POLITICS AND SOCIETY. PRESIDENT TOOK TINY STEP TOWARD BRINGING POLITICAL OPPOSITION INTO THE ADMINISTRATION. HOWEVER, GOVERNMENT MOVES AGAINST SUPPORTERS OF EXILED GENERAL WESSIN Y WESSIN SEEM TO HAVE HAMSTRUNG HIS POLITICAL PARTY. A HIGHLIGHT OF THE REPORTING PERIOD WAS PRESIDENT'S SIGNING OF A CONTRACT WITH US FIRM FOR CONSTRUCTION OF SABANA YEGUA HYDROELECTRIC DAM. END SUMMARY.

## 2. INDEPENDENCE DAY SPEECH

PRESIDENT BALAGUER'S SPEECH ON FEB 27 MET WITH GENERAL APPROVAL OR OUTRIGHT PRAISE, EXCEPT ON PART OF RANCHERS AND SOME BUSINESSMEN, BUT DID LITTLE TO INDICATE HOW HE PROPOSED TO SATISFY DEMANDS FOR PROGRESS ON AGRARIAN REFORM WITHOUT ALIENATING POWERFUL LANDED INTERESTS OR HOW HE INTENDS TO "INSTITUTIONALIZE" DEMOCRACY. THESE ARE TWO OF THE HOTTEST POLITICAL QUESTIONS OF THE MOMENT. HE DID SUGGEST HIS INTENTION TO INTRODUCE MEASURE OF AUSTERITY BY LIMITING KINDS OF PURCHASES WHICH CAN BE FINANCED AT OFFICIAL RATE OF EXCHANGE; OTHERS, FOR LUXURY GOODS, WOULD REQUIRE USE OF PARALLEL MARKET AND ITS LESS FAVORABLE (BY 15PERCENT TO 20PERCENT) RATE OF EXCHANGE. POLICY WAS IMPLEMENTED IN PART BY PRESIDENTIAL DECREE SETTING \$800,000,000 CEILING ON CENTRAL BANK DISBURSEMENTS OF FOREIGN EXCHANGE IN 1975. THIS PROVISION, REGARDED AS UNREALISTIC AND UNTENABLE, BROUGHT MOST OF THE SCATTERED CRITICISM OF SPEECH. REMAINDER CAME FROM CATTLEMEN WHO OPPOSE PRESIDENT'S BILL, NOW RESUBMITTED TO CONGRESS, TO LIMIT TO 500 TAREAS (80 ACRES) AMOUNT OF FIRST QUALITY CROP LAND WHICH MAY BE USED FOR PASTURAGE. AS MEASURE TO LIMIT INFLATIONARY EFFECTS OF INCREASED SUGAR REVENUES, PRESIDENT PROPOSED THAT EXCESS BE PLACED IN FUND, UNDER CONTROL OF NATIONAL BANK, TO BE SPENT ONLY IN ACCORDANCE WITH GODR POLICIES.

3. AUTONOMOUS UNIVERSITY OF SANTO DOMINGO (UASD) RECEIVED BAD NEWS IN PRESIDENT'S SPEECH. UASD HAD BEEN PRESSING FOR INCREASE IN ITS RD\$700,000-A-MONTH STATE SUBSIDY IN ORDER TO MEET INCREASED COSTS DUE TO INFLATION AND EXPANDED ENROLLMENT. INSTEAD, PRESIDENT CRITICIZED "PROFESSIONAL PARASITISM" OF UNIVERSITY AND PLEDGED TO EXPAND AND DEVELOP RURAL EDUCATION. CONFIDENTIAL

CONFIDENTIAL

PAGE 03 SANTO 01550 01 OF 02 092016Z

CATION AND VOCATIONAL TRAINING.

## 4. ASSASSINATION OF NEWSMAN

ONE OF COUNTRY'S MOST WIDELY-READ COLUMNISTS, WHO ALSO EDITED WEEKLY AHORA NEWSMAGAZINE, WAS ASSASSINATED MAR 17 NEAR HIS HOME. TWENTY-NINE YEAR OLD ORLANDO MARTINEZ, SECRETLY A MEMBER OF PARTIDO COMUNISTA DOMINICANA, WAS PERHAPS AMONG MOST INFLUENTIAL COLUMNISTS IN DR. HIS MILITANT ESPOUSAL OF WHOLE

PROGRAM OF LEFT, WITH UNQUESTIONED EFFECTIVENESS OF HIS WRITING, BROUGHT HIM HATRED OF RIGHTISTS, ESPECIALLY OF OLD TRUJILLISTAS, AND CREATED ENEMIES ACROSS MUCH OF THE POLITICAL SPECTRUM. CONSERVATIVE MILITARY LEADERS BELIEVED MARTINEZ TO BE DANGEROUS. EX-PRESIDENT BOSCH WAS RECENT TARGET FOR SCATHING CRITICISM. ALTHOUGH AN OPPONENT OF THE REGIME, MARTINEZ' VIGOROUS CHAMPIONING OF AGRARIAN REFORM BROUGHT HIM INTO DIRECT SUPPORT OF PRESIDENT BALAGUER'S PROGRAM; HIS PRESSURES ON TECHNICAL LEVELS AND ADMINISTRATORS OF AGRARIAN REFORM WERE ALMOST IDENTICAL TO THOSE GENERATED BY REFORMISTA PARTY'S OWN RURAL ORGANS. THUS, WHEN MARTINEZ WAS KILLED, SUSPICION FELL IMMEDIATELY UPON THE MILITARY AND ON BOSCH'S PARTY. PRESIDENT DEPLORED MURDER AND PROMISED FULL INVESTIGATION, BUT DESPITE NUMEROUS ARRESTS AND INTERROGATIONS, HIGH LEVEL INVESTIGATING COMMISSION HAS DEVELOPED NO VALID LEADS. CASE APPEARS HEADED FOR SAME OBLIVION AS OTHER UNSOLVED POLITICAL ASSASSINATIONS OF PREVIOUS YEARS. LEFT WILL CONTINUE TO CONTEND THAT IT WAS BALAGUER REGIME ITSELF, WITH OR WITHOUT PRESIDENT'S KNOWLEDGE, THAT KILLED MARTINEZ. WHAT EVER THE OUTCOME, EVENT HAS REVIVED FEELINGS OF UNEASINESS AS TO NATURE OF DOMINICAN SOCIETY'S POLITICS AND DR HAS LOST AN EFFECTIVE, AS WELL AS CONTROVERSIAL, EDITOR AND COLUMNIST.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 SANTO 01550 02 OF 02 092029Z

63

ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-02 INR-07 L-02

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05

EB-07 OMB-01 AGR-05 TRSE-00 NIC-01 COME-00 CIEP-01

SY-05 SCCT-01 /081 W

----- 059795

R 091910Z APR 75

FM AMEMBASSY SANTO DOMINGO

TO SECSTATE WASHDC 3343

INFO AMEMBASSY CARACAS

AMEMBASSY MEXICO CITY

AMEMBASSY PORT AU PRINCE

CINCLANT

CINCSO

C O N F I D E N T I A L SECTION 2 OF 2 SANTO DOMINGO 1550

5. INTERNAL POLITICS

PRESIDENT BALAGUER'S NAMING OF FOUR OPPOSITION POLITICAL PARTY LEADERS TO GOVERNMENT POSITIONS ON NEW YEAR'S DAY, ALTHOUGH ONLY A TOKEN BROADENING OF GOVERNMENT, GAVE RISE TO SPECULATION ABOUT ADDITIONAL, MORE SIGNIFICANT INVITATIONS TO COME. IT WAS, IN FACT, FOLLOWED BY DISCUSSIONS WITH OPPOSITION LEADERS. HOWEVER, THE FOUR WHO WERE GIVEN POSITIONS WERE ALL FROM PARTIDO REVOLUCIONARIO SOCIAL CRISTIANO (PRSC), AND ONLY MXZFN DR MORENO MARTINEZ, AMBASSADOR TO THE UN, WAS NAMED TO POSITION OF STATURE. THEN, WITH CATEGORICAL PUBLIC REFUSAL OF SEPARTIDO REVOLUCIONARIO DOMINICANO (PRD) LEADERS TO ACCEPT ANY FURTHER OFFERS, BROADENING EFFORT APPEARED TO HAVE COME TO AN END.

6. GENERAL WESSIN Y WESSIN'S PARTY AND SUPPORTERS SUFFERED REVERSES. FIRST, PARTY'S DIRECTOR OF PUBLIC RELATIONS AND A CHAUFFEUR OF WESSIN Y WESSIN'S FAMILY WERE ARRESTED IN CONNECTION WITH AN ALLEGED ATTEMPT TO PURCHASE TWO AUTOMATIC WEAPONS. THEN, TWO PARTIDO QUISQUEYANO DEMOCRATA (PQD) CONFIDENTIAL

CONFIDENTIAL

PAGE 02 SANTO 01550 02 OF 02 092029Z

LEADERS WERE PREVENTED FROM LEAVING COUNTRY AND LETTERS THEY WERE CARRYING TO GENERAL IN COSA RICA WERE CONFISCATED. THE SERIES OF DEVELOPMENTS, ALTHOUGH NOT CLEARLY SHOWING LINKS BETWEEN THE GENERAL OR PQD AND SUBVERSIVE ELEMENTS IN THE COUNTRY, POINTED UP AGAIN GREAT SUSPICION PRESIDENT BALAGUER HARBORS FOR WESSIN Y WESSIN. THESE GOVERNMENT PRESSURES ON PQD LED TO CANCELLATION OF PLANS FOR PARTY MEETING IN CARACAS ON FEB 27.

7. EX-PRESIDENT JUANN BOSCH RETURNED MAR 1 TO DR FROM PARTICIPATION IN "RUSSELL TRIBUNAL" IN BRUSSELS. HIS VISITS TO SEVERAL EUROPEAN COUNTRIES AND TO MEXICO, CUBA AND VENEZUELA SEEM TO HAVE FOUNDERED. RECEPTIONS IN EUROPE WERE REPORTEDLY COOL AND IN VENEZUELA AND CUBA APPEAR TO HAVE BEEN LITTLE MORE THAN PERFUNCTORY. SOON AFTER RETURNING, HE CAPTURED HEADLINES BY PUBLICLY PRONOUNCING THAT MEXICAN PRESIDENT ECHEVERRIA BE AWARDED NOBEL PEACE PRIZE FOR SPONSORSHIP OF CHARTER OF ECONOMIC RIGHTS AND RESPONSIBILITIES OF STATES. WITHIN FEW DAYS BMKCH MADE NEW HEADLINES LOCALLY BY PROCLAIMING HIMSELF MARXIST, "NOT MARXIST-LENINIST," AS DESCRIBED BY BALAGUER, AND "NOT MARXIST-MAOIST," BUT A BELIEVER IN MARXISM AND SOCIALISM.

8. SABANA YEGUA DAM

ON MAR 19, PRESIDENT BALAGUER SIGNED CONTRACT FOR CON-

STRUCTION OF DOL MILLION SABANA YEGUA DAM, DESIGNED PRIMARILY FOR IRRIGATION IN AZUA/SA RJUAN DE LA MAGUANA AREA. CEREMONY CLIMAXED AN 18-MONTH COMPETITION, WON BY US FIRM (THE GUY F. ATKINSON CO OF SAN FRANCISCO) OVER VENEZUELA BKUYA MENAN COMPANIES. THIS, DESPITE FORMIDABLE POLITICAL PRESSURE BROUGHT TO BEAR DIRECTLY ON BALAGUER ON BEHALF OF THE MEXICANS (INCLUDING PERSONAL APPEAL BY PRESIDENT ECHEVERRIA AND SUPPORT OF GENERAL NEIT NIVAR, THE NOT-SO-HIDDEN PARTNER IN DOMINICAN CONSTRUCTION FIRM ASSOCIATED WITH MEXICANS). THIS IS LARGEST CONSTRUCTION CONTRACT EVER WON BY FOREIGN FIRM IN DR.

#### 9. FOREIGN RELATIONS

TIMING OF ESTABLISHMENT OF DIPLOMATIC AND CONSULAR RELATIONS WITH SOUTH VIET NAM (ON MAR 17) WAS DIFFICULT TO UNDERSTAND  
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 SANTO 01550 02 OF 02 092029Z

IN VIEW OF EVENTS IN THAT PART OF WORLD. EMBASSY KNEW OF NO RECENT PRESSURES ON GODR TO TAKE THE STEP AT THIS TIME. PRESIDENT BALAGUER'S INDEPENDENCE DAY SPEECH REAFFIRMED REALISTIC AND PRAGMATIC NATURE OF DR'S WESTERN HEMISPHERE FOREIGN POLICY, I.E., WHILE WELCOMING OPPORTUNITY TO REINFORCE RELATIONS WITH OTHER LA NATIONS, DR DOES NOT INTEND TO PARTICIPATE IN ANY CONFRONTATION WITH US. EVEN LEFTIST OPPONENTS OF REGIME, EXCEPT MOST DOCTRINAIRE, HAD DIFFICULTY ATTACKING PRESIDENT'S ARGUEMENT THAT DR MUST RETAIN STRONG AND FRIENDLY RELATIONS WITH US.

#### 10. OUTLOOK

PRESIDENT BALAGUER'S STYLE OF GOVERNMIUT AGAINST PRAGMATIC, DELIBERATE, AMBIGUOUS, AND AT TIMES DEVIOUS. LITTLE PROGRESS HAS BEEN MADE ON HIS AUGUST 1974 INAUGURATION PROMISES. DURING THE REPORTING PERIOD AGRARIAN REFORM MOVED SLOWLY, NO INITIATIVES WERE TAKEN TO INSTITUTIONALIZE DEMOCRATIC PROCESSES, THOUGH OPPOSITION VIEWS CONTINUED TO BE EXPRESSED FREELY, BALAGUER'S PROPOSALS TO PROHIBIT REELECTION OF PRESIDENT AND CREATE AN INDEPENDENT JUDICIARY RECEDED AS SUBJECTS OF POLITICAL DISCUSSION, AND INCIDENTS OF VIOLENCE BY GOVERNMENT AND OPPOSITION RECURRED WITH NORMAL FREQUENCY. ALL OF THIS LEADS US TO EXPECT CONTIUATION OF PRESENT POLICIES, PROGRAMS AND ATMOSPHERE IN MONTHS AHEAD. MEANWHILE, BUSINESS FLURISHES, PUBLIC WORKS EXPAND, BUDGETARY AND PAYMENTS SITUATIONS IMPROVE, POPULATION AND THE MARKET GROW. IN SHORT, HIGH SUGAR REVENUES CONTINUE TO BUY TIME AND MITIGATE PRESSURES FOR RATIONALIZING GOVERMENT PLAN-  
NING AND OPERATIONS.  
HURWITCH

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLITICAL SITUATION, QUARTERLY REPORTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 09 APR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MartinML  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975SANTO01550  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D750123-0855  
**From:** SANTO DOMINGO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750467/aaaacjfa.tel  
**Line Count:** 276  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION ARA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 6  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 SD 324  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MartinML  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 17 APR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <17 APR 2003 by BoyleJA>; APPROVED <17 SEP 2003 by MartinML>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** DOMINICAN POLITICAL ASSESSMENT: FIRST QUARTER 1975  
**TAGS:** PINT, PFOR, DR  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006